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One of region's largest PUDs

steps up to reduce load

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Bonneville Power Administration FOR IMMEDIATE RELEASE: FRIDAY, May 25, 2001 PR 44 01

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VANCOUVER, Wash. – The Bonneville Power Administration today announced that it has signed the first public utility load reduction agreement. Under the agreement, Clark Public Utilities will reduce its share of BPA power by 29.5 average megawatts for one year.

Steve Wright, acting BPA administrator, had praise for Clark, saying, "Clark is taking the lead among public utilities to help the region ensure economic stability. This is a very important step toward reducing the rate increase, and we hope that other public utilities will follow Clark's lead."

Wayne W. Nelson, Clark's CEO/general manager, said he was pleased to finalize the agreement with BPA. "It is very important that all of BPA's customers come together to help solve this problem," Nelson said. "If all customer groups contribute to the load reduction effort, we can have a huge impact on the cost of electricity for consumers in Clark county and throughout the Pacific Northwest."

The agreement was signed today by Nelson and Wright during a ceremony at Clark's headquarters in Vancouver, Wash.

Beginning in October, 295 of Clark's 530 average megawatt load will be served by BPA. As a result of today's signing, BPA will serve 29.5 fewer average megawatts of that load for one year. BPA will buy back the 29.5 average megawatts at a price roughly equivalent to its current preference rate.

BPA's goal is to find approximately 600 additional average megawatts of load reduction from its other 128 public utility customers. The goal is to keep loads down for the next two years so that BPA does not have to buy power in the expensive wholesale market, which could result in far higher electricity rates. BPA expects that within two years sufficient new generation will have come on line so that market prices stabilize.

"Negotiations are ongoing with all our customer groups," said Wright. "We hope that our recent load reduction agreements with several aluminum companies, PacifiCorp and now Clark will serve as catalysts to firming up additional agreements – and soon."

On April 9, BPA announced that the region's federal electricity system is headed for wholesale rate

increases of 250 percent or more beginning October 1 unless customers – the region's retail utilities and large industries – make commitments to reduce energy use within the next 60 days

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